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Decision No. 836.39
BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CAITFORNIA
In the Matter of the Investigation into the rates, rules, regulations, charges, allowances and practices of all household goods carriers, common

Case No. 5330 carriers, highway carriers, and city carrlexs, relating to the rransportation of used household goods and related property.

## OPINI

Minimum Rate Tariff 4-B (MRT 4-B) names minimum rates for the transportation of uncrated used household goods and related articles by highway permit carriers between all places in California.

In this proceeding, Califormia Moving \& Storage Association (CMSA) seeks an ex parte order revising the rates set forth in Items 300 and 320 of MRT 4-B spplicable to transportation of used household goods on a cents-per-100 pounds basis (distance rates). CSMA also seeks increases in the rates and charges for pickup and/or delivery at other than ground floor (Item 75), diverted shipments (Item 90), split pickup (Item 170), split delivery (Item 175), storage in transit (Item 180), distance rates in cents per piece (Item 340), and rates and charges for shipping containers and packing materials (Item 360).

The latest full-scaie revision of the minimum rates in issue was made pursuant to Decision No. 83194 dated July 30, 1974 in Petition 52 in Case No. 5330. The minimum rates established by that decision are based on cost and economic studies introduced in evidence by petitioner and by the Comission staff. The cost studies reflect wages and other operating costs in effect on July I, 1973.

Petitioner alleges that since the preparation and introduction into evidence of the cost data presented by CMSA and the Comission staff in Petition 52, household goods carriers have incurred increased operating expenses which are not reflected in said studies. CMSA asserts that carriers have experienced increased wages, payroll expenses, fuel costs, and other operating costs as a result of collective bargaining agreements, changes in payroll taxes, increased weight fees established by statute, higher rates for Workmen's Compensation Insurance, and higher fuel costs. Petitioner seeks adjustments in rates to reflect wages, payroll costs, fuel costs, and weight fees effective July 1,1974 or before and Workuen's Compensation Insurance rates effective October 1, 1974.

The specific rates sought by CMSA are set forth in the petition and the amendment thereto. The increased rates reflect the percentagewise increases in total operating costs experienced by highway permit carriers engaged in the transportation of used household goods as measured by studies set forth in a verified statement appended to the petition as Exhibit B. Exhibit B, prepared by the cost supervisor of California Trucking Association's Division of Iransportation Economics, describes the manner in which the cost studies introduced in Petition 52 are adjusted to reflect current operating costs and the manner in which the existing minimm rates are proposed to be adjusted to reflect such increased costs. The Comission's Transportation Division staff has reviewed the data set forth in Exhibit $B$ to the petition (as revised in the amendment), and has informed the Comission that it believes that the cost data set forth therein reasonably reflect the changes in the cost exbibits introduced in Petition 52 which are necessary to bring said costs up to the levels currently being experienced by highway carriers engaged in the transportation of household goods under the distance rates set forth in MRT 4-B. The Comoission staff urges, however, that cextain revisions in the rates proposed in the
petition, as amended, should be made to provide a smooth progression of rates in the Any Quantity and 1,000 pound minimum weight groups. The specific rates recomended by the staff are contained in a document made a part of the record herein as Exhibit 88-1. If its recomended changes in rates are adopted, the Comission staff has no objection to the issuance of an ex parte order. Petitioner concurs in the changes in rates recommended by the staff. California Manufacturers Association (CMA) advised the Commission that it opposed the request for ex parte handling of this matter contained in the petition, as filed. Upon review of the revised rates set forth in the amendment to the pefition and the rate adjustments recommended by the staff, CMA has advised the Comission it now has no objection to the issuance of an ex parte order herein. CMA's lettex to the Comission dated September 20, 1974, removing its objection to ex parte handiing, is made a part of the record herein as Exhibit 88-2.
Findings

1. Minimum distance rates and related provisions for the transportation of uncrated used household goods set forth in MRT 4-B were last adjusted pursuant to Decision No. 83194 dated July 30, 1974 in Petition 52.
2. The minimum rates prescribed in Decision No. 83194 were based on cost and economic studies introduced by CMSA and the Comission staff as exhibits in Petition 52. Said cost exhibits reflect wages, fuel costs, and related items of operating expenses generally in effect on July 1,1973 or before.
3. Since the development of the cost and economic studies unde:lyfng the revision of the distance rates and related tariff provisions accomplished in Decision No. 83194, highway carriers engaged in the transportation of used household goods under distance rates in MRT 4-B have incurred increases in their operating costs. In particular, carriers have experienced higher wage costs, payroll raxes, Workmen's Compensation Insurance expense, weight fees, and Suel costs.
4. In order to maintain the minimum rates in question on just and reasonable bases, the minimm rates established by Decision No. 83194 should be adjusted to offset the higher operating costs experienced by bighway carriers.
5. Increases in the minimum rates in question to the levels sought in the petition herein, as amended (as further revised by the staff), are no greater than those necessary to reflect the increased operating costs incurred by highway carriers since the last adjustment of said rates and are necessary to restore said rates to reasonable levels. Increases resulting from the establishment of said rates are justified.
6. The specific increases in rates described in the above finding should be established in MRI 4-B. Inasmuch as said increased zates reflect current fuel costs, the Interim Surcharge Supplement established by Decision No. 82453 in Case No. 5330, Petition No. 80, should be cancelled concurrently with the establishment of the increased rates.
7. Highway common carriers, to the extent they are subject to MRT 4-B, should be required to adjust their rates to the levels fourd reasonable herein and established by the ensuing order.
8. A public hearing is not necessary.

We conclude that Minimum Rate Tariff 4-B should be amended to incorporate the rates found herein to be reasonable and that in all other respects the petition, as amended, should be denied.

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IT IS ORDERED that:

1. Minimum Rate Tariff 4-B (Appendix C of Decision No. 65521, as amended) is furthcr amended by incorporating therein, to become effective November 24, 1974, the supplement and revised tariff pages attached hereto and Iisted in Appendix A, also attached hereto, which supplement, tariff pages, and appendix are made a part hereof.
2. Common carriers subject to the Public Utilities Act, to the extent that they are subject to Decision No. 65521, as amended, are directed to establish in their tariffs the increases in rates necessary to conform with the further adjustments in minimum rates ordered herein.
3. Tariff publications required to be made by common carriers as a result of the order herein shall be filed not earlier than the effective date of this order and shall be made effective not earlier than November 24, 1974 on not less than five days' notice to the Commission and to the public.
4. In all other respects said Decision No. 65521, as amended, shall remain in full force and effect.
5. Except as provided in the preceding paragraphs of this order, Petition for Modification No. 88, as amended, is denied.

The effective date of this order shall be twenty days after the date hereof.

Dated at $\qquad$ , California, this $\qquad$ $22 n d$ day of $\qquad$ , 1974.
C. 5330 (Pet. 88 )

APPENDIX A

Ilst of Supplement and Revised Pages To Minimum Rate Tariff 4-B.

SUPPLENENT 31
TENTA REVISED PAGE 9
thirteench revised page 10
TENAI REVISED PAGE 17
EIGHTH REVISED PAGE 18
EIGETH REVISED PAGE 26
EIGHTH REVISED Page 27
TWENTH-THIRD REVISED PAGE 29

## SUPPLEMENT $3 \lambda$

> (Cancols Supplement 30 and Interim Surchargo Suppiement and order to this tariff in Decision No. 82453 insofar as it appines to the rates in Items 300 . 320 and 340 and Paragraph 1 of Item 360 of the taxifi)
> (Supplement 31 Contains Ald Changes)

TO
MINIMUM RATE TARIFF 4-b
Naming
minimum rates and ruces
ror the
'RRANSPORTATION OF USED PROPERTX, VIZ.: HOUSEHOLD COODS, PERSONAL EFFECTS and OFFICE, store and institumion furniture, Fixfuncs and equipment over the
pubyic highnays within the
stage of caltfornia
BY
RADIAL HIGHWAY COMMON CARRIERS
hIGHWAX CONTRACT CARRIERS
AND
housthord coods carriers
(1) Vacating notice

The suspension notice contained in Supplement 28 was vacated and the following tarifi pages shald become effective November 23, 1974:

| SEVENTH REVISED PAGE 4 | SECOND REVISED PAGE 20 |
| :--- | :--- |
| FIFTH REVISED PAGE 7-A | FIFNH REVISED PAGE 33 |
| SEVENSH REVISED PAGE 7-B | SECOND REVISED RAGE $34-A$ |
| SECOND REVISED PAGE 7-3B | FOURH REVISED PAGE 35 |
| ORIGINE PAGE 7-GBBB | FIRS REVISED PAGE 37-A |

(1)NOTICE OF CiANGE IN EFFECMIVE DAFE OF mariff pages

The effective date of the following tariff pages is Aprii 21, 1973:
FOURTH REVISED PAGE 7 ORTGINAT PAGE 36-A
FIRST REUISED PAGE 11 EIRST REVISED PAGE 40
ORIGINAL PAGE L3-A ORIGINAE FAGE 42
(2) VACATING NOTICE

The suspension notice eontained in Supplement 23 was vacatod and Fixat Revised page 35-A became offective March 25, 2974.
(1) Reissued from Supplement 30 .
(2) Roiasued with modification from Supplement 30.

б Change, Decision No. S3639

## MIXED SHIPMENTS

(a) When one or more comodities for which rates are not provided in this tariff are included in the same shipmont with commodities for which rates are herain provided, the rate or rates applicable to the entire shipment may be determined as though ali of the commodities wore ratable under the provisions of tris tarifif at the combined weight of the mixed shipment; or the commoditios for which rates are provided in thas tariff may be transported at the applicable rateb provided herein, and the commodities for which rates are not provided herein, at the rates provided in other commiasion tarifia or which might be otherwise applicable, provided soparate weights or other authorized units of measurement are furnished or obtained. fn the evont that the latter banis is used, the minimum charges provided in this tarifil shall apply to the entlige alipmont.
(L) When any uncrated portion of a shipment of commodities for which rates are heroin provided requires protection against damago after recoipt thexeof by the carrier and such protection is affordod by the carriar by packing such uncrated portion of the shipment in containcrs, such portion so packed shail be rated as uncrated propexty.

## APPLICATION OF RATES

(a) Katea provided in Items $300,320,330$ and 340 are for the tranapoztation of shipments from point of origin to point of destination, from point of origin to point of storagonin-transit, or from point of storage-in-transit to point of destination, and include pickup and delivery, gubject to Itom 75.
(b) For transportation of shipments for adstances of 50 miles or lese, rates ahali apply in cents per hour (Soc Note), in cents per plece, or in cents per 100 pounds (Items $300,320,330$ and 340 ), subject to Items 145,250 and 155.
(c) For transportation in excess of 50 miles, rates in ztems 300 and 320 shall appiy, aubject to Item 55.
(d) Kate in Item 350 ahall apply for the acceasorial services of packing and unpacking in the territory in which the service is porformed.
(0) Item 360 provides ratos for transportation of ompty ghipping containers and a basis of charges for the furnishing of shipping containers and packing materiais by the carrier.
(5) Item 80 provices valuation charges for all ahipments not reicased.to a value of sixty (60) cents por pound, per article.

NOTE. - The highest ratod territory in or through which any gervice is performed shail determine the applicable hourly rate.

## PICKUP AND/OR DELIVERY AT OTHER THAN GROUND FLOOR

When hipments are picked up or delivered, or both, at other than ground flyoor, the following additional charges per pickup or delivery por ilight and/or long carry shaid be asgessed:

1. At houriy rates (Item 330) No additional charge.
2. At piece rate (Itern 340) 220 eonts per pioce.
3. At distance rates (Items 300 and 320 ) 35 cents per 100 pounds.

OIncrease, Decision No.
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## ERFECTIVE

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Correction SAN FRANCISCO, CALI FORNIA.

| Mininum rate tariff 4-3 | NHIRTELNTH REVISED PAGE CANCELS TWELTTH REVISED PAGE.. | . .20 $10$ |
| :---: | :---: | :---: |
|  |  | ITEM |
| (4) Tho tollowng minim released to a vaiue of roleas <br> Nore 1: If the shi enter a released value o <br> NOTE 2: No charge undertaken for carrier's <br> (g) Each shipping piece articio, except tha knocked down for ha article for the pur <br> Note: when an enti anipping boxes, each shi a package in such contal article. | uuded) <br> 11 shipments not See Nota 1): <br> 1 chargea, he must the shipping docurent. <br> it of a ahipment is <br> 11 constitute one le takon apart or constitute one ity. <br> ners, lift vans, or not enclosed within <br> ili conutitute the | $\begin{gathered} 80 \\ \text { (con- } \\ \text { clu- } \\ \text { ded) } \end{gathered}$ |
| DISPOSITION OF FRACTIONS <br> In computing a rate based on a percentage of another rate, the following rule shail be observed in the disposition of iractiona: <br> Fractions of leas than $y$ or .50 of a cent, omit. <br> ractions of h or .50 of a cont or greater, increase to noxt whole figure. |  |  |
| DIVERTED SHIPMENTS <br> Chargoe upon a ahipment tranaported undex ratea provided in Itema 300 or 320 which ham been diverted shail be computed at the appilcable rate in effect on date of ahipment from point of origin via each point where divergion oceurs to final deatination, plus an additional charge oz $\$ 9.75$ for each diversion. |  |  |
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| issued by the public utilities commission of thf state of california, <br> correction <br> SAN FRANGISCO, CALIFORNIA, |  |  |


| SECTION 1--RUEES AND REGULATIONS (Continued) | ITEM |
| :---: | :---: |
| DELAYS IN DELIVERY <br> Whenever a carrier is unabie to make dolivery of a shipment of hourohole gooda on the date or during the period specified in the receipt or ahipping ordex, the carrier shall notiry the shipper, or ferson designated by the shipper, by telegram or telephone, at the carrier's expense, of the date on which delivery of the shipment will be made; such notification to be given not leas than 24 houra prior to the date or during the period shown on the receipt of shipping order except when the circumatances causing the delay occur at a later time, in which case the notice shail be qiven as soon as posaible but in no event more than 24 hours after the occurronce, provided, that tho requiroment of this paragraph shail not apply where tho carrier in unable to obtain from the shipper an address or telephone number for such notification. | 162 |
| Whiting or delay <br> When vehicie is held for convandence of the ahipper or conaignee through no fault of the carrier in connection with shipments moving or to bo moved under rates contained in Items 300 or 320 , a charge at the hourly rates provided in Itom 330 will be assessed for each hour or fraction thereof over one hour. | 165 |
| SPLIT PICKUP <br> Split pickup service may be accorded subject to the Lollowing conditions: <br> (1) The charge for tho compobite shipment shali be pada by one consignor, con= signee, or othor intoreated party. <br> (2) Split delivery service shall not be accorded. <br> (3) In the ovent a lower aggregate charge results from treating one or more component parts as a separate shipment said charge may be applied. <br> (4) Charges shall be computod as follows: <br> (a) Under hourly rates (Item 330). Apply appilcable rate for the total time conaumed in loading at tho point of origin of oach component part, and unioading at point of destination, plun double the ariving time botween odeh such point. (Total time shall bo convarted into hours and/or factions thereot in accordanco with the provisions of Item 95.) <br> (b) Under distance rates (Items 300 and 320). Apply the appilcable rate to the total weight of the composite shipment for the distance from point of origin of any component part to point of dastination via the points of origin of all othor component parta, plus an additional charge of $\$ 21.35$ for each gtop to load betweon firat point of origin and point of deatination. | 0170 |

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SEVENTH REVISED PAGE.... 18

| SECTION 1--RULES AND REGULATIONS (Continued) | ITEM |
| :---: | :---: |
| SPLIT DELIVERY <br> Split delivery sorvice may be accorded aubject to the foliowing conditions: <br> (1) The charge for the composite shipmont shail be paid by one consignor, consignee, or other interested party. <br> (2) Split pickup service shail not be accorded. <br> (3) In the event a lower aggrognto charge results from treating one or more component paxts as a separate shipment said charge may be appided. <br> (4) Chargee shall be computed as follows: <br> (a) Under hourly rates (Item 330). Apply applicable xate for the total time consumed in loading at point of origin and unloading at point of dostination of each component part, plua doublo tho driving time botwoen each such point. (Total time shail be converted into hours and/or fractions thereof in accordance with the provisions of Item 95.) <br> (b) Under distance rates (Items 300 and 320). Appiy the applicabic rate to the total weight of the composite ahipment for the distance from point of origin to point of destination of any component part via the points of destination of alil other component parte, plus an adational charge of $\$ 21.35$ for oach stop to undoad between point of origin and final point of doatination. | 0275 |
| STORAGE IN TRANSIT (Seo Note 1) <br> Shipmenta may be stoxed once in tranait for a period not to oxceed 60 days from the date of unjoading at storage point. (See Note 2) <br> Charges shail be computed on the following basis: <br> (a) The applicable transportation rate from initial point of origin to point of storage, plus <br> (b) The applicable tranaportation rate from point of storage to point of cestination, plus <br> (c) Warehouse handing and storage charge of 90 conts por 200 pounda for each 30-cay period or fraction thereof, bubject to a minimum charge of $\$ 4.50$ for each 30-day period. <br> NoTe 2.--On shipments aublect to hourly ratas both into and out of point of atorage in transit the weight of the shipment for puxposes of determining the storage-in-transit eharge may bo estimated by multiplying the total eubic feet of storage space occupied by the shipment on the warehouse platform or in the warehouse by 7 pounds per cubic $100 t$. <br> NOTE 2.--In the event a shipment remains in storage in excess of 60 days, the point of storage in transit shail be considered the point of cestination and thereafter shail be oubject to the rules, regulations and charges of the individual warehousoman. Charges for subsequent delivery ahail bo assessed on the basis of the chargas appicabie from point of atorago to point of delivery. | 280 |
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| correction $\quad$ ISSUED BY THE PUBLIC UTILITIES GOMMISSION OF THE STATE OF GALI SAN FRANCISCO, GALI | IA, |


| SECTION 3--RATES |  |  |  |  |  |  | ITEM |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| DISTANCE RATES IN EENTS PER 100 POUNDS (1) (2) (3) (4) <br> ned in this item appiy oniy to shipments transportod between points Region 2. (See Note) |  |  |  |  |  |  |  |
| Midas but Not over |  | Any Quantity |  | Minimum Weight |  |  |  |
|  |  | $\begin{array}{r} 1,000 \\ \text { pounds } \end{array}$ | $\begin{array}{r} 2,000 \\ \text { pounds } \end{array}$ | $\begin{array}{r} 5,000 \\ \text { pounde } \end{array}$ | $\begin{array}{r} 8,000 \\ \text { Pounds } \end{array}$ |  |
| 0 | 10 |  | 2440 | 875 | 630 | 510 | 440 |  |
| 20 | 20 | 1470 | 905 | 645 | 525 | 450 |  |
| 20 | 30 | 2695 | 925 | 660 | 540 | 460 |  |
| 30 | 40 | 2520 | 940 | 670 | 555 | 470 |  |
| 40 | 50 | 1545 | 960 | 685 | 565 | 480 |  |
| 50 | 60 | 1570 | 975 | 695 | 575 | 490 |  |
| 60 | 70 | 2595 | 985 | 705 | 585 | 500 |  |
| 70 | 80 | 1620 | 2000 | 715 | 600 | 510 |  |
| 80 | 90 200 | $\begin{array}{r}2645 \\ \hline 1675\end{array}$ | 1025 | 725 | 610 | 525 525 |  |
| 90 | 200 | 1675 | 1030 | 735 | 620 | 535 |  |
| 200 | 220 | 1705 | 1055 | 755 | 640 | 555 |  |
| 220 | 140 | 1755 | 1080 | 775 | 665 | 575 |  |
| 140 | 160 | 1805 | 1110 | 800 | 685 | 595 |  |
| 160 | 180 | 1850 | 1135 | 820 | 705 | 620 |  |
| 280 | 200 | 1900 | 1165 | 840 | 730 | 640 | -300 |
| 200 | 225 | 1950 | 2200 | 865 | 755 | 665 |  |
| 225 | 250 | 2000 | 1235 | 890 | 780 | 690 |  |
| 250 | 275 | 2050 | 2.265 | 915 | 810 | 720 |  |
| 275 | 300 | 2100 | 1295 | 940 | 835 | 745 |  |
| 300 | 325 | 2145 | 2325 | 965 | 860 | 770 |  |
| 325 | 350 | 2290 | 1355 | 990 | 885 | 800 |  |
| 350 | 375 | 2235 | 1385 | 2015 | 910 | 825 |  |
| 375 | 400 | 2280 | 1415 | 1040 | 940 | 850 |  |
| 400 | 425 | 2310 | 1440 | 1065 | 965 | 875 |  |
| 425 | 450 | 2325 | 2465 | 2085 | 990 | 900 |  |
| 450 | 475 | 2350 | 1485 | 1110 | 1015 | 925 |  |
| 475 | 500 | 2375 | 2510 | 1235 | 2040 | 950 |  |
| 500 | 550 | 2405 | 1555 | 1165 | 1075 | 985 |  |
| 550 | 600 | 2455 | 1600 | 2210 | 1225 | 1030 |  |
| 600 | 650 | 2500 | 2640 | 2250 | 1270 | 1075 |  |
| 650 | 700 | 2545 | 2680 | 1295 | 1215 | 1210 |  |
| 700 | 750 | 2585 | 2720 | 1335 | 1265 | 1140 |  |
| 750 | 800 | 2630 | 1765 | 1380 | 2305 | 1285 |  |
| 800 | 850 |  | 1805 | 1430 | 1345 | 1225 |  |
| 850 | --- | dd to rat 0 miles o | 850 mdi tion th | ents pe exces | $\begin{gathered} \text { pounds } \\ 850 \mathrm{mide} \end{gathered}$ | cach |  |
| (1) Mindmum Charge*-the charge for 100 pounds at the applicabie rate. <br> (2) Sea Item 70 for application of rates. <br> (3) See Item 50 for computation of distances. <br> (4) See Item 220 for Region descriptions. <br> NOTE.--kates named in this item apply in connection with split plekup and spilt delivery shipmenta only whan polnts of origin and points of destination of all component parts of such shipmenta are located within Region 1 . Rates named in Item 320 shail apply to split piekup and aplit delivery shipments excluded from the rgvisions of thin item. |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
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